

Information Regarding Violations Data

The violation data set forth in the accompanying spreadsheet represents all of the data on violations that CSWR has amassed from 2020 through 2021. Upon closing acquisitions of wastewater systems, CSWR and its affiliates generally enter into some form of an Agreement on Consent (AOC), which are environmental compliance orders with relevant environmental agencies. These compliance orders allow CSWR and its affiliates a structured timeline in order to bring the wastewater systems that are extremely dilapidated and distressed at the time of acquisition into compliance, without amassing violations or fines due to the lack of investment in those systems by previous owners.

The table below details the number of CSWR affiliate systems on/off these compliance orders and the years they were taken off as of December 31, 2021. The systems in the "N/A" category are either water systems, which are never the subject of AOCs and thus all of which are subject to receiving notices of violation, or non-discharging wastewater systems. Additionally, in July of 2021, the Company transitioned from relying heavily on our third-party O&M Contractors to gather and track this data to tracking this data in-house at the CSWR, LLC level. Because of this, the data gathered before July 2021 differs slightly, as compared to the data gathered after that date.

Year AOC Ended	Number of AOCs Ending
2018	5
2019	5
2020	21
2021	15
N/A	92
Systems Currently Under AOC	286
Total	424